LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6850 NOTE PREPARED: Jan 1, 2008

BILL NUMBER: HB 1116 BILL AMENDED:

SUBJECT: State agency fines and penalties.

FIRST AUTHOR: Rep. Steuerwald BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

Summary of Legislation: This bill provides that a state agency may not assess a fine or civil penalty against a political subdivision or an officeholder unless a statute permits the fine or civil penalty. It prohibits a state agency from adopting a rule that allows a fine or civil penalty to be assessed against a political subdivision or officeholder unless a statute allows the fine or civil penalty. It also requires a state agency to repeal or eliminate any rules that allow the agency to assess a civil penalty against a political subdivision or an officeholder unless a statute permits the fine or civil penalty.

Effective Date: July 1, 2008.

Explanation of State Expenditures:

Explanation of State Revenues: Civil Penalty and Fine Provision: To the extent that prohibiting a state agency from assessing a fine or civil penalty against a political subdivision or an officeholder, unless a statute permits the fine or civil penalty, results in a reduction of court cases and less fines being collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would decrease. However, any revenue loss would likely be minimal.

Explanation of Local Expenditures:

<u>Explanation of Local Revenues:</u> *Penalty Provision:* If fewer court actions occur, local governments would receive less revenue from court fees. However, any revenue loss would likely be small.

State Agencies Affected: All.

HB 1116+ 1

<u>Local Agencies Affected:</u> All; Trial courts; Local law enforcement agencies.

Information Sources:

Fiscal Analyst: Hannah Mongiat, 317-232-9867.

HB 1116+ 2